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Privatization: where Langley is today

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In our previous articles on Langley's housing privatization project, we covered the overall concept as well as the project's timeline from its inception in 2001. In late August, a Town Hall meeting for Langley housing residents was held at the Bethel Manor Youth Center. At the meeting, we briefed the entire project in detail, and took questions from the audience. Many residents were concerned about possibly having to move, and others were concerned about the possibility of "other than Air Force" tenants moving into Bethel Manor. These concerns along with others were also addressed in an article in the Sept. 5 edition of *The Flyer*.

For your information and use, the slides that were presented at that Town Hall meeting have been posted on the publicly-accessible housing privatization home page at <http://www.langley.af.mil/tour/priv.shtml>.

Our next milestone was to have been the Industry Forum, where interested developers from all over the country come to the local area to learn about the project and take a tour of Bethel Manor. As Sept. 17 fell within a day of Hurricane Isabel's landing, we chose to postpone this event until Nov. 4.

This summary briefly captures what has happened in our pursuit of housing privatization to this date, but our focus for this article is what's to come.

The next phase of this project, Project Acquisition, will begin shortly after the Industry Forum. Once we have a final concept approval and the Request for Proposal is reviewed and approved by all parties, we will formally notify Congress of our intent to solicit for this project. Once this 30-day notification period is complete, we will release the RFP and begin the two step solicitation process.

Step One of this process is the step where all interested developers submit a package consisting of their concept of this project, and also some financial data on their company or partnership in order for the government to determine whether this company is financially able to handle a project of this size and complexity without being in risk of bankruptcy. Only those offerors who meet all of the predetermined criteria will pass through Step One and move on to Step Two. The team of people who make this decision consist of many of the same people who helped to originally develop the concept of the project, plus some experts from headquarters Air Combat Command and the Air Force Center for Environmental Excellence.

For those developers who meet

the Step One criteria, they will have a set amount of time to develop their concept into a 35 percent design proposal. This effort will be a lot of work for the developers. In addition to drawings and specifications, the bidders will need to provide the government with many reports detailing their plans for phasing the construction, how they will handle day to day maintenance during the 50-year period of the contract, etc. The Langley team will again look at all proposals and choose an overall winner of the Step Two process. The final approval of the Successful Offeror will be made by the ACC vice commander. This decision is expected to be made in August 2004.

Once the SO is chosen and approved, the developer and the government have to close the deal by signing numerous legal documents, such as the land lease, conveyance of all housing and utilities, etc. At this time, the deal closing is scheduled to occur in September 2004. Once the deal is closed, the developer is responsible for all maintenance, operation, and repairs in Bethel Manor for the next 50 years.

Phase 4, Project Management. Over the next five to 10 years, the developer will demolish and replace almost all of the housing in Bethel Manor to the new construction standards outlined in the RFP. After this construction period ends, the developer will continue to operate and maintain the housing until his 50-year contract is up.

The developer will be required to submit a detailed phasing plan to the government for approval. This plan will go into great detail on which houses need to be vacated and when, so that residents and the housing office have maximum advance notice of when someone might be required to move. Ideally, once the first group of houses are built, the next phases would move from an unrenovated house to a new one, to minimize off base moves. If anyone is forced to move, the government will pay for the move, and the resident will also receive a special Dislocation Allowance set up for privatization projects. If the developer requires that person to move again, the developer would have to pay for the second move, so it will be very beneficial for the developer to keep forced moves to the minimum.

As with all projects of this size, all dates are subject to change, so as the project timelines are updated, we will publish information in the base paper and on the Langley privatization web page so residents can be informed. In addition, we will hold Town Hall meetings at key intervals.

The housing privatization program management office can be reached at 764-1480.